Creating
Sustainable Communities
Enabled by Technology

Engaged.
Dependable.
Challenger.

Chairman's Letter- FY 22

Dear Shareholders,

I write to you from the cusp of a new business reality, our post pandemic world of accelerated digital transformations, the great resignation, a work-from-anywhere paradigm redefining the employer-employee relationship, the emergence and recognition of technology as the fulcrum of business continuity and resilience, an increased spend towards enterprise and digital IT solutions, a reset of the wage environment, and the massive shifts in the talent market placing a premium not only on skill sets but also a hybrid modality of contribution. Most important is a recognition of the need to tighten focus on profitability and growth for businesses that stayed in survival mode during the pandemic years.

Amidst all this, I am happy to report that Birlasoft has had quite an extraordinary year.

We registered a revenue of $ 555.2 Million, growth of 15.8% and delivered an EBITDA margin of 15.5% , recording an improvement of 60 bps. Our profitability grew by 43.6%, and we secured new businesses with a Total Contract Value (TCV) of $ 444 Million, all in a year that has been part of the most unprecedented and ambiguous period the world has ever experienced.

Growth was led by digital centric service lines of business and technology transformation, and cloud-based services, which grew 26.1% and 29.8% , respectively in FY 2022. The Enterprise Solution business has seen encouraging cloud and base services traction with high single digit growth in the second half, and we expect the momentum to continue into FY 2023.

I want to acknowledge every one of Birlasoft's 12,000+ professionals, who have helped create this immense value for the company's stakeholders.

Birlasoft has once again been recognized as a Great Place to Work®. We are also very proud of being part of the CK Birla group that has been recognized as Nation Builders of the year by the GPTW institute. Our inspirational legacy and our sharp focus on our people, drive our efforts to build a culture of trust, performance orientation and accountability.

Our endeavors in the enterprise digital services landscape have won us several plaudits. Birlasoft is now at Maturity Level 5 of the CMMI Institute's Capability Maturity Model (CMMI)® 2.0 for CMMI-DEV and CMMI-SVC. This Maturity Level indicates the organization is performing at an 'optimizing' level and continuously improving its processes based on a qualitative assessment of its objectives and performance needs.

Our transformational business solution 'Value IN Customer's Interest (VINCI)' won the 'Business Transformation Award' organized by the Mint and TechCircle, under the category of 'Revenue Generation for Customer Experience'. We were also named as the finalist for the 2021 Microsoft Partner of the Year in the category of 'Modernizing Applications'.

As a brand that cares for people and communities, our Corporate Social Responsibility (CSR) philosophy is led by our vision of Create, Collaborate, and Change. We encourage our employees and their families to contribute to society via our Employee Volunteering Program. Our flagship community program, Project Shodhan won the 'Special Jury Award' at the India CSR Summit (India). The program continues to contribute towards the objective of reducing crop residue burning in the Indian states of Haryana and Punjab.

Our COVID-19 Support Program has helped societies recover from the pandemic through mass vaccination drives for vulnerable communities, in addition to building capacity at hospitals by providing advanced service ambulances and medical equipment. Our other programs like DISHA, e-vidya, iPledge, and Joy of Giving continue to make a difference to society.

As we look ahead, Software Services and IT Services are forecast to be the two fastest growing categories of technology spending in FY 2022, and Birlasoft with its balanced business from Enterprise and Digital is placed well to tap into this opportunity. We continue to strive for excellence in the people space with the use of specialised forecasting models in our hiring, and renewed focus on investing in people development and upskilling. There has been a review of rewards focusing on retention, and our business pipelines are healthy on the sales side and the deals side.

Even with the new set of macroeconomic challenges including the war in Ukraine, inflation, high gas prices, talent shortages, aggressive Federal Reserve rate hike, and continuing supply chain hiccups: the outlook on IT spending remains bullish, and projections indicate an overall increased spend on IT and Tech globally.

We are in a space of confidence about Birlasoft's growth over the next two to three years, and buoyant on our ambitious target of becoming a $ 1 Billion company by FY 2025.

On behalf of the Board of Directors of Birlasoft, my sincere thanks to all our stakeholders for their unwavering support and continued trust.

Warm regards,
Amita Birla

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1 | Introduction

Introduction

1.1 About the Company

Birlasoft combines the power of domain, enterprise and digital technologies to reimagine business processes for customers and their ecosystems. Its consultative and design thinking approach makes societies more productive by helping customers run businesses efficiently. As part of the multibillion-dollar diversified CK Birla Group, Birlasoft, comprising over 12,000+ professionals, is committed to continuing the Group's 160-year heritage of building sustainable communities.

CK Birla Group Profile

The CK Birla Group is a diversified $ 2.8 Billion conglomerate that has enduring relationships with renowned global companies.

With over 30,000 employees, 46 manufacturing facilities and numerous patents and awards, the Group's businesses are present across five continents. The Group operates in three industry clusters: technology and automotive, home and building, healthcare and education.

The CK Birla Group companies are strengthened by shared guiding principles that focus on long-term value creation, trust-based relationships, and benefit to society. Each business is transforming to build on the collective strength and synergies of the Group's size and span.

1.2 Company Overview

Birlasoft has unique, industry-leading capabilities from the Enterprise Product and Cloud companies: SAP, Oracle, J D Edwards, Microsoft, Amazon Web Services (AWS), Google, Salesforce.com, Service Now, etc. The Company has strategic-level partnerships with SAP, Oracle and Salesforce, a position unmatched by any other similar-sized company. Birlasoft also possesses significant 'digital' capability in Analytics, Robotic Process Automation (RPA), Digital Portals, User Experience and Digital Advisory services. A sizeable extensive set of solutions and services continue to demonstrate its capabilities and presence in application development, support and maintenance for next-generation services in the digital world.

The year gone by

According to NASSCOM, the Indian IT industry is estimated to have reached $ 227 Billion clocking ~15% growth, the highest Y-O-Y growth since the year 2011. Birlasoft, in its new avatar post the merger in January 2019, also grew in line with the Industry in FY 2022, registering a growth of 15.8%. While Birlasoft faced merger and integration-related challenges in its first year post-merger, the second year was impacted by COVID-19. The year under review was when the Company bounced back in line with the industry growth. The Company's growth was driven by Business and Technology Transformation services which grew by 26.1% Y-O-Y, and Cloud and Base services, which saw an increase of 29.8% in FY 2022. With business normalization across the globe and in India, the Enterprise Solutions business also witnessed a steady growth of 2.5% throughout the year, against a decline of 7% seen in the ERP (IES and SAP) business in FY 2021.

1.3 Financial Performance

The financial year 2021-22 in India began with the arrival of COVID-19's second wave – the delta variant, which peaked in April-May 2021. This wave was worse than the first wave but due to rampant vaccination programs, it settled much earlier than the first wave. The demand situation for the industry had started improving in the second half of the financial year under review, which led to a demand-supply mismatch for the industry which is reflected in rising employee attrition levels since the beginning of FY 2022. In FY 2021, the attrition was one of the lowest for the industry as a whole and with the increase in demand, including a pent-up demand, the attrition started rising at the beginning of the financial year, remained worse throughout the year, and is expected to soften in the middle of FY 2023. The Company continued to strengthen its talent supply processes through streamlined resource planning, automated skill matching and enhancement tools and dynamic reporting.

The Company reported revenue of ₹ 41,304 Million ($ 555.2 Million), a growth of 16.2% Y-O-Y (15.8% in $ terms), despite many key challenges such as COVID-19's second and third waves and elevated attritions through the year. The EBITDA stood at ₹ 6,401 Million ($ 86.0 Million), a growth of 20.9% Y-O-Y (20.4% in $ terms). Despite higher costs emanating from the supply-side challenges, the EBITDA margins improved from 14.9% in FY 2021 to 15.5% in FY 2022, an improvement of 60 bps. The PAT stood at ₹ 4,636 Million ($ 62.3 Million), an increase of 44.5% (43.6% in $ terms).

Some of the other notable highlights during the year are as under:

- Signed deals of TCV $ 696 M during the year. TCV new deal wins of $ 444 M and renewals of $ 252 M for FY 2022.
- The share of business from new customers has gone up from 3% in FY 2021 to 15.5% in FY 2022.
- Revenue for Top 10 & Top 20 clients grew by 18.4% & 20.4% respectively in FY 2022.
- The Company's cash balance stood at ₹ 12,250 M as of 31st March 2022.
- Company's utilization improved from 82.8% in Q4 FY 2021 to 85.2% in Q4 FY 2022.
- The Company fortified its Cloud-first strategy as an Amazon Web Services (AWS) Advanced Consulting Partner. Achieving AWS Advanced Consulting Partner status further strengthens the Company's cloud

- portfolio and enables it to leverage AWS to accelerate its enterprise clients' digital transformation journeys.
- Birlasoft was recognized as 'Great Place to Work®-Certified'.
- The Company's marquee community development and crop residue management initiative, Project Shodhan, was acknowledged with the Special Jury Award at Edition #8 of the India CSR Summit.
- Birlasoft was among the leading providers in the Booming 15 category, globally based on Annual Contract Value (ACV) won over the last 12 months, according to the 1Q 2022 Global ISG Index™. It is the eighth consecutive time that we have been featured across named categories by ISG.
- Birlasoft's manpower strength as of March 31, 2022, stood at 12,204 and saw net addition of 1,153 professionals during the year.
- The Board of Directors of the Company declared an interim dividend of ₹ 1.50/- (75%) per equity share of face value of ₹ 2/- each on the paid-up equity share capital of the Company. Furthermore, your Directors are pleased to recommend final dividend of ₹ 3/- (150%) per equity share of face value of ₹ 2/- each for the financial year ended March 31, 2022, subject to the approval of members at the ensuing Annual General Meeting of the Company.
- The Board of Directors and the members approved the buyback of equity shares for an aggregate amount not exceeding ₹ 3,900/- Million ("Buyback Size") at a buyback price of ₹ 500/- per share.

The Revenue split for FY 2022 is as under:

Revenue by Client Geography	FY 20-21 % Revenue	FY 21-22 % Revenue
Americas	77.3%	81.1%
Europe	13.4%	11.0%
Rest of the World	9.3%	6.9%
Total	100.0%	100.0%

Revenue by Industry Practice	FY 20-21 % Revenue	FY 21-22 % Revenue
Manufacturing	41.3%	44.8%
Banking, Financial Services & Insurance	18.1%	17.6%
Energy and Utilities	15.1%	14.8%
Life Sciences	25.5%	22.8%
Total	100.0%	100.0%

1.4 Business Outlook

- The demand environment continues to remain robust, especially in digital, cloud and reinitiation of transformation programs. This demand is powered by customers looking at shorter and sharper returns and focusing on cost containment while improving their spend on value-driven initiatives.
- The deal pipeline also is expected to be robust and traction from both new and existing customers is good.

- Company remains optimistic about its growth journey and remains buoyant on its ambitious target of becoming a $ 1 Billion company by FY 2025.

1.5 Enterprise Risk Management (ERM) Framework

Enterprise Risk Management at Birlasoft is aligned to the Regulatory guidance on sustainability; ensuring Environment, Social, Governance (ESG) risks are identified and managed. The ERM program is closely integrated with the Enabling Functions – Legal, Finance, Human Resources, Facilities & Logistics Management and Delivery to provide a holistic approach on risk management. We follow a top-down approach for key Risks wherein they flow from the Enterprise Risk Register to the Function level Risk register with defined ownership and timelines. The identified Risks are evaluated in line with Organization's risk appetite set for individual Risk categories.

Our established governance mechanism provides oversight to the Leadership on the Risk Landscape allowing for informed strategy setting, balancing risk and opportunities with compliance requirements.

Please refer to separate section on Enterprise Risk Management in the Annual Report 2020-21 which is available on www.birlasoft.com

1.6 Information about the Subsidiaries

Birlasoft has wholly owned subsidiaries and step-down subsidiaries in the United States of America, Mexico, Canada, Brazil, United Kingdom, United Arab Emirates, France, Germany and Malaysia. It also has branches in Singapore, Poland, Sweden, Switzerland and New Zealand. Further, the subsidiaries of Birlasoft have branches in Australia, Netherlands, Spain and Slovakia; in order to give it a local presence in the countries where its customers operate, and also to service its customers more efficiently. Local presence has also helped the Company in building a diverse workforce.

1.7 Industry Recognition, Awards & Leadership

In recognition of its constant quest for excellence, your Company has been honored and recognized at various forums. The prominent ones are listed below:
- Birlasoft is now Great Place to Work®-Certified in India.
- Birlasoft has been appraised at Maturity Level 5 of the CMMI Institute's Capability Maturity Model Integration (CMMI)® 2.0 for CMMI-DEV and CMMI-SVC.
- Birlasoft recognized as a finalist of the 2021 Microsoft Partner of the Year Awards in the 'Modernizing Applications' category.
- Birlasoft honored with the Business Transformation Award organized by the Mint and TechCircle, under the category of 'Revenue Generation for Customer Experience'.
- Birlasoft won 3 distinguished partner awards at the Oracle JD Edwards Partner Awards under the categories, 'Product Innovation-Enterprise Integration', 'Cloud Centric-Oracle Cloud Platform' and 'Customer Centricity-Bringing Customers back'.

2 Corporate Governance and Management Practices

Corporate Governance and Management Practices

Corporate Governance essentially involves balancing the interests of various stakeholders of the Company such as shareholders, management, customers, suppliers, financiers, government and the community. It entails managing business with accountability to and responsibility towards the shareholders and making accurate, adequate and timely disclosures of relevant information. It includes the processes through which organization's objectives are set and pursued in the context of the social, regulatory and market environment.

We, at Birlasoft, believe that efficient, transparent and impeccable Corporate Governance is vital for stability, profitability and desired growth of the business of any organization. The importance of such Corporate Governance has now further intensified, owing to ever-growing competition in businesses in almost all economic sectors, both at national and international levels. Therefore, the Companies Act, 2013 [hereinafter referred to as "the Act"], and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [hereinafter referred to as "the SEBI (LODR) Regulations, 2015"] have innovative means to make Corporate Governance in India optimally progressive and beneficial to all the stakeholders.

We are committed to continuously scaling up our Corporate Governance standards. Our Corporate Governance framework has been built on the Company's value system which is as follows:

Engaged: People are our biggest assets. This includes the customers we serve, our colleagues and the suppliers we partner with. When customers work with us, they allow us to enter their organization and blend harmoniously with their culture and people. We engage with them to work seamlessly and it's no different when it comes to working with our partners.

Dependable: Customers look for support and we need to make them feel that they can rely on us. It's very important for us to find out how we as an Organization can win their trust and continue to function as a dependable unit.

Challenger: Our Organization is about scale and quality. We take great care to deliver the best to our customers by understanding their needs. Focus, agility and flexibility from our side are always paramount as we go the extra mile to drive success for our customers.

Our philosophy is aimed at conducting business ethically, efficiently and in a transparent manner based on the following principles:

1. Compliance with the relevant provisions of securities laws and conformity with globally accepted practices of corporate governance, Secretarial Standards provided by the Institute of Company Secretaries of India and laws of India in true spirit;
2. Integrity in financial reporting and timeliness of disclosures;
3. Transparency in the functioning and practices of the Board;
4. Balance between economic and social goals;
5. Equitable treatment and rights of shareholders;
6. Maintenance of ethical culture within and outside the organization;
7. Establishing better risk management framework and risk mitigation measures; and
8. Maintaining independence of auditors.

We seek to protect the shareholders' rights by providing timely and sufficient information to the shareholders, allowing effective participation in key corporate decisions and by providing adequate mechanism to address the grievances of the shareholders. This ensures equitable treatment of all shareholders including minority and foreign shareholders. We ensure timely and accurate disclosure on significant matters including financial performance, ownership and governance of the Company. We implement the prescribed accounting standards in letter and spirit in the preparation of financial statements, taking into account the interest of the stakeholders and the annual audit is conducted by an independent and qualified auditor. Investor updates are uploaded on the Company's website on quarterly basis and also intimated to the stock exchanges for the benefit of its stakeholders. Further, additional updates are provided to the stakeholders on any matter that concerns them, as and when the circumstances arise.

Our Board periodically reviews its corporate strategies, annual budgets and sets, implements and monitors corporate objectives. It effectively monitors the Company's governance practices and ensures transparent Board processes. Further, it appoints and compensates the key executives and monitors their performance and strives to maintain overall integrity of the accounting and financial reporting systems.

2.1 Board Composition

The composition of the Board is decided considering the following criteria:

1. Compliance with statutory and regulatory norms
2. Appropriate mix of independent and non-independent directors
3. Entrepreneurship
4. Diversity
5. Industry Experience

We have a judicious mix of Executive, Non-Executive and Independent Directors on the Board, which is essential to separate the two main Board functions viz. governance and management. The composition of the Board is in conformity with the Regulation 17(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['SEBI (LODR)']. Out of the total strength of seven Directors as on March 31, 2022, four are Independent Directors (of which two are Women Directors), two are Non-Executive Directors and one is an Executive Director.

The list of core skills/expertise/competencies identified by the Board of Directors are as follows:

a) Legal, finance & accountancy,
b) Technical consultancy,
c) IT business operations,
d) Human resources & stakeholder engagement,
e) Sales & delivery,
f) Risk management,
g) Knowledge of the industry,
h) Leadership,
i) Board service & governance.

There is a constant endeavour to align the core skills/expertise/competencies of the Directors with the ongoing trends.

The Independent Directors of the Company are chosen keeping in mind the definition of 'Independent Director' as defined in the SEBI (LODR) and the Companies Act, 2013, as amended from time to time.

A brief profile of the Board Members as on March 31, 2022 is as follows:

Amita Birla is the Co-Chairman of the CK Birla Group, and Chairman of Birlasoft Limited. A business leader with extensive global experience in successfully leading companies, Amita has led organizational transformation initiatives across the CK Birla Group and Birlasoft: specifically resulting in more strategically aligned agile teams, enhanced talent processes and stronger brand positioning. She is credited with bringing an inclusive and modern outlook to new as well as legacy businesses of the CK Birla group, inspiring and encouraging contemporary ways of working and a global mindset.

As Chairman at Birlasoft, she leads the long term strategy development and implementation at Birlasoft, and drives its continuous evolution into a future focused, inclusive and employee centric organization. Under her leadership, Birlasoft continues to deepen its capability in domain, expand its global footprint and create excellence in service delivery. Her people focused leadership has catalyzed the introduction of global standards for business and people, not just at Birlasoft, but across the entire spectrum of the CK Birla group's lines of business.

As a passionate advocate of clinical excellence and superior patient experience in healthcare delivery, Amita takes a keen interest in the group's Healthcare business. A part of this passionate involvement is also in service of her commitment to advocate for better healthcare facilities and experiences for women.

Amita and her husband CK are both committed philanthropists, who support social development, healthcare delivery and the advancement of science, technology, education, art and culture through their family foundations and philanthropic initiatives.

CK Birla is the Chairman of the CK Birla Group, a large and diversified Indian conglomerate with global presence in three main industry clusters: Technology and Automotive, Home and Building solutions, and Healthcare & Education.

Under his leadership, the group has built enviable capabilities in engineering, technology and healthcare in addition to its core of manufacturing; and continues to be on an ambitious growth path led by world class technology, superior talent and operations excellence. The CK Birla group takes pride in its enduring partnerships with renowned global companies.

CK is a member of the governing body of the Confederation of Indian Industry, the Chairman of the board of governors at the Birla Institute of Technology (Mesra), and a member of the Board of Trustees of the Carnegie Endowment for International Peace.

Apart from leading a diverse and dynamic business portfolio, CK is a keen philanthropist committed to social development; the advancement of Science, Technology, Art and Culture and the preservation of heritage. The philanthropic contributions of the group manage several science and art museums, temples and an archaeological site, a University and schools. The Group, under the leadership of Chairman CK Birla and Co Chairman Amita Birla also works to improve the livelihoods of rural and underprivileged communities through its philanthropic outreach.

Ashok Kumar Barat had a long and distinguished executive career in the corporate sector. He has held leadership positions in various Indian and multinational organizations, both in India and overseas. Ashok is a Fellow of the Institute of Chartered Accountants of India, and of the Institute of Company Secretaries of India, Associate of the Institute of Chartered Accountants of England & Wales, and CPA, Australia. He has been an active contributor to public life and dialogue; Past President Bombay Chamber of Commerce and Industry, and of the Council of EU Chambers of Commerce in India, a former Trustee of the Mumbai Port Trust, and presently Member, Managing Committee of ASSOCHAM. He is a Certified Mediator empaneled with

the Ministry of Corporate Affairs, Government of India. Ashok mentors budding entrepreneurs and advises companies on 'Strategy', 'Performance Improvement' and 'Governance Initiatives'. He is a member of the board of directors of several companies.

Anant Talaulicar holds a B.E. (Mechanical) degree from Mysore University, an M.S. (Mechanical) degree from the University of Michigan in Ann Arbor and an MBA from Tulane University, USA. Anant was a member of the Cummins Inc. global leadership team from August 2009 till October 2017, the Chairman and Managing Director of the Cummins Group in India from March 2004 through October 2017 and the President of the Cummins Inc. Components Group from 2010 through 2014. He has also served as the Managing Director of Tata Cummins Private Limited, a 50:50 joint venture between Cummins Inc. and Tata Motors Limited. He has chaired the boards of four other Cummins legal entities in India as well. He worked as a financial analyst, manufacturing engineer, project manager, product manager, strategy manager before taking various general management positions. From 2004 through 2017, Anant has also led the Cummins India Foundation which has implemented sustainable community initiatives such as model villages and higher education. He has served as a member of the Confederation of Indian Industries, Society of Indian Automobile Manufacturers and Automobile Components Manufacturers Association in the past. Currently, he is on the board of 7 Indian companies, trustee on 3 foundations and teaches part time at the S P Jain Institute of Management & Research.

Alka Bharucha holds B.A. (Hons.), L.L.B. (University of Bombay), L.L.M. (University of London), Solicitor, High Court (Mumbai) and Supreme Court of England and Wales. She is a Member of the Bar Council of Maharashtra and Goa and the Bombay Incorporated Law Society. She is also an Advocate on Record, Supreme Court of India. Alka began her career with Mulla & Mulla & Craigie Blunt & Caroe and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which since inception has been ranked by RSG Consulting, London among the top law firms in India. For years, she has been ranked by Chambers Global, Legal 500 and Who's Who Legal, etc. amongst India's leading lawyers. She chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance. Her general corporate work includes the establishment of mutual funds and providing regulatory advice to foreign institutional investors, foreign venture capital investors, merchant bankers and other financial intermediaries. She has particular experience acting for financial services clients as well as those in the telecommunications, power and logistics sector and is also actively engaged in representing trans-national corporations for investments in retail, defense and manufacturing space.

Nandita Gurjar is a Technologist turned HR professional. Nandita's experience in mainstream IT spans software development, general management and consulting. She started her career at Wipro InfoTech in 1992 as a software programmer and handled multiple technical responsibilities, in various functions like Software Coding and Testing, Program documentation and Quality. She joined Infosys Limited in December 1999 to form the Learning & Development wing and set-up the Leadership institute. In 2003, she moved to the newly setup subsidiary Infosys BPO to head the HR function. In 2007, she took over as the Global Head HR for Infosys Group, managing over 150,000 employees. In this role she led the Infosys People strategy and Employer branding across its global footprint. She was appointed as a member of Executive Council in 2011 and moved to the US Headquarters to manage the globalization initiatives of the organization. In 2013, she moved to head the Education & Research wing of Infosys which skilled the workforce on latest technologies and over saw over 1 million days of training per year. In April 2014, she got selected for Advanced Management Program (AMP) at Harvard Business School. On her return she resigned from Infosys.

Nandita was a member of the World Economic Forum (WEF) – Global Advisory Council on New Models of Leadership. She is often invited to speak on HR strategy, work force management and business leadership. She has addressed several forums such as World Bank, Conference Board and Great Places to work, USA. She won the "Human Capital Business Leader" award from the Singapore Society of Human Resource Management and has also been featured as "25 Most Powerful Professional Women in India" in Business Today magazine.

Currently, she is an advisor to Startups and is an independent director in both listed and unlisted companies. She is an advisor to the Leadership Institute of SBI, India's largest bank and consults with organizations on HR strategies and execution.

Dharmander Kapoor ("DK") is the Chief Executive Officer ("CEO") & Managing Director ("MD") of the Company. DK has a Master's degree in Computers from Kurukshetra University, India, and is an industry-veteran with over 30 years of experience and is recognized as a potent thought leader in the IT industry.

DK joined Birlasoft in 2014 as its Chief Operating Officer ("COO") and in his role as the COO, DK managed the global delivery, business development and other enabling functions of the Company. As its COO, DK led the divesture of Birlasoft's legacy business paving the way for a newer goto- market and client engagement model for the Company. DK was elevated as the CEO & MD of the Company in 2019 and he has shaped the Company's strategy pivoted on the Enterprise to the Power of Digital™ framework, focusing on next-generation digital services offerings. He has also led the successful

integration of the erstwhile Birlasoft and KPIT IT services businesses.

DK is known to be an exceptional leader, who takes pride in building leaders and competitive teams. He has a very keen eye on creating a balance between "fundamentals" to build organization's resilience and "transformation" to help the organization pursue non-linear growth. His in-depth technical skills and impressive experience in Transformation Services has helped Birlasoft develop key IPs (3rdEye, ValueISM, Enterprise Digital, etc.) in delivering differentiated value to its clients. He is a regular speaker at industry events and he also is an avid contributor in various publications through his thought leadership articles.

Painting, sharing his life lessons, reimagining and penning down his thoughts through blogs stem out of his creativity and demonstrate his passion towards life and work.

2.2. Board Committees

The Company takes various initiatives to ensure the active participation of the Directors, particularly, the Non-Executive Directors, in the decision-making and review process some of which are given below:

1. All the Board Committees are chaired by Non-Executive/Independent Directors. The Company has the following Committees:
    A. Audit Committee
    B. Nomination and Remuneration Committee
    C. Stakeholders Relationship Committee
    D. Corporate Social Responsibility Committee
    E. Risk Management Committee

2. The Board meets annually for discussions on the Annual Operating Plan.

A. Audit Committee

As on March 31, 2022, the Audit Committee consists of four Independent Directors. Ashok Kumar Barat is the Chairman of this Committee, and Anant Talaulicar, Alka Bharucha and Nandita Gurjar are the other members. All members of this Committee are financially literate, and the Chairman of the Committee has the accounting & financial management expertise. The Committee plays a major role in reviewing and improving internal controls, internal audit function, financial reporting, reviewing the performance of statutory and internal auditors and code of conduct. The role and objectives of the committee include:

i.   oversight of the financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

ii. recommendation for appointment, remuneration and terms of appointment of auditors of the Company;

iii. approval of payment to statutory auditors for any other services rendered by the statutory auditors;

iv. reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, with particular reference to:
    a) matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
    b) changes, if any, in accounting policies and practices and reasons for the same;
    c) major accounting entries involving estimates based on the exercise of judgment by management;
    d) significant adjustments made in the financial statements arising out of audit findings;
    e) compliance with listing and other legal requirements relating to financial statements;
    f) disclosure of any related party transactions;
    g) modified opinion(s) in the draft audit report;

v.   reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

vi. reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;

vii. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

viii. approval or any subsequent modification of transactions of the Company with related parties;

ix. scrutiny of inter-corporate loans and investments;

x.   valuation of undertakings or assets of the Company, wherever it is necessary;

xi. evaluation of internal financial controls and risk management systems;

xii. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

xiii. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

xiv. discussion with internal auditors of any significant findings and follow up thereon;

xv. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

xvi. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

xvii. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

xviii. to review the functioning of the whistle blower mechanism;

xix. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

xx. carrying out any other function as is mentioned in the terms of reference of the audit committee;

xxi. reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding Rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments existing as on the date of coming into force of this provision;

xxii. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;

xxiii. management discussion and analysis of financial condition and results of operations;

xxiv. management letters/letters of internal control weaknesses issued by the statutory auditors;

xxv. internal audit reports relating to internal control weaknesses;

xxvi. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;

xxvii. statement of deviations:

a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);

b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

xxviii. and such other roles & responsibilities pursuant to the statutory requirements under the Act, and all rules, circulars and any notifications thereunder and amendments thereof; the SEBI (LODR) Regulations, 2015, Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011 and such other Regulations as may be notified by the Securities and Exchange Board of India and amendments thereof; and such other roles, powers and obligations as may be entrusted/delegated/authorized to it by the Board.

B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of two Independent Directors and one Non-Executive Director. Anant Talaulicar is the Chairman and Amita Birla and Nandita Gurjar are the other members of the Committee. The role and objectives of the Committee include:

i. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;

ii. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

a. use the services of an external agencies, if required;

b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

c. consider the time commitments of the candidates.

iii. formulation of criteria for evaluation of performance of board of directors, its committees, individual directors and independent directors, to be carried out by the Board/Committee or by an independent external agency and review its implementation and compliance;

iv. devising a policy on diversity of Board of Directors;

v. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal;

vi. decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

vii. recommend to the Board, all remuneration, in whatever form, payable to senior management.

C. Stakeholders Relationship Committee

The Board has formed Stakeholders Relationship Committee to look into various aspects of interest of shareholder. The Committee is chaired by a Non-Executive Independent Director, Alka Bharucha. Nandita Gurjar and Dharmander Kapoor are the other members of the Committee. The role and objectives of the committee include:

i. Resolving the grievances of the security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate share certificates, general meetings, etc.;

ii. Review of measures taken for effective exercise of voting rights by shareholders.

iii. Review of adherence to the service standards adopted in respect of various services being rendered by the Registrar & Transfer Agent;

iv. Review of the various measures and initiatives taken for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

D. Corporate Social Responsibility Committee

The Company has a Corporate Social Responsibility ("CSR") Committee to oversee the discharge of CSR obligations. The Committee consists of three directors including two Independent Directors. Amita Birla is the Chairman of the Committee. Nandita Gurjar and Anant Talaulicar are the other members of the Committee. The role and objectives of this Committee are:

i. formulation and recommendation of CSR policy to the Board;

ii. formulate and recommend to the Board, an Annual Action Plan in pursuance of the CSR policy;

iii. identification of activities to be undertaken by the Company;

iv. recommendation of amount of expenditure on CSR activities;

v. monitor the CSR policy from time to time.

E. Risk Management Committee

There is a mechanism in place to inform Board Members about the risk assessment and minimization procedures to ensure that executive management controls risks by means of a properly defined framework. The members of the Committee are Ashok Kumar Barat, Anant Talaulicar, Alka Bharucha and Nandita Gurjar. The role and objectives of this Committee are:

i. formulate a detailed risk management policy which shall include:

a) a framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee;

b) measures for risk mitigation including systems and processes for internal control of identified risks;

c) business continuity plan;

ii. ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

iii. monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

iv. periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

v. keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

vi. appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The RMC coordinates its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the Board of Directors .

2.3 Board and Senior Management Compensation

The compensation of the Board is determined in accordance with the following parameters:

• Legal Considerations:

This takes into account the maximum limit set out by the Companies Act, 2013 and the rules made thereunder for remuneration of Executive and Non- Executive Directors and is primarily based on the profits of the company for the financial year.

• Best Practices:
   - Remuneration to Executive Directors consists of a fixed component and a performance-based incentive. These are based on the individual performance of the director and the overall performance of the Company.
   - Remuneration to Non-Executive Directors is based on the director's chairmanship/ membership of the Board Committees, contribution of the Director to the Company's business outside the Board/Committee Meetings and the duration of directorship during the year.

Compensation of Independent Directors is decided based on the following factors:
• Attendance at Board meetings
• Attendance at Board committee meetings

- Chairmanship of the Board committees
- Contribution at the Board and Committee meetings
- Guidance and support provided to senior management of the Company outside the Board meetings
- Industry practices
- Performance evaluation and
- Performance of the Company

Similarly, compensation of the Senior Management consists of a fixed salary component and variable pay. The variable pay is dependent on the performance of the individual and that of the Company.

2.4 Vigil Mechanism/Whistle Blower Policy

The Company has adopted the Whistleblower Policy that lays down the principles and standards governing the actions of the Company and its employees. It encourages all its stakeholders to communicate and raise any behavior or practice, they may be aware of and suspect to be unethical, illegal, or otherwise inappropriate and harmful to the company. The Policy sets out ways through which the stakeholders can raise concerns that relate to actual or suspected violations of the Code of Ethics, Conduct & Professional responsibilities. There are adequate safeguards built in the whistle blower mechanism to protect the Whistleblower from retaliation, reprisals, or victimization. This Policy has been uploaded on the website of the Company for effective circulation, reference of its stakeholders and global implementation. The purpose of this Policy is to establish procedures for:

1. To allow the Directors and employees/contractors/ 3rd Party service providers and other stakeholders to understand Organization policies and raise concerns about potential malpractices and/or any unethical activity and/or violation thereof;

2. To acknowledge, validate, investigate, and respond to complaints received by the Company regarding improper activities, financial or otherwise, in the Company;

3. Channels for Whistleblower complaint on a confidential and/or anonymous basis, of concerns regarding improper activities; and

4. Time bound fact-based independent investigations with defined actions for monitoring and reporting.

The Policy also aims to protect any Whistleblower who legitimately and in good faith raises concerns or provides information against improper activities.

Everyone in the Company is responsible for ensuring that the workplace is free from all forms of discrimination, harassment and retaliation prohibited by this Policy. No employee or Director of the Company has the authority to engage in any conduct prohibited by this Policy. It is also hereby confirmed that no personnel has been denied access to the Audit Committee.

3

Birlasoft for Innovation

Birlasoft for Innovation

Birlasoft for Innovation is the brainchild of our enterprising teams with innovation in their DNA. As our teams looked to #ChallengeTheNorm, initiatives like #XccelerateForStartups and other ensuing tracks provided them an opportunity to rub shoulders with brilliant ideators and continued upon our journey of fostering innovation, representing our true self as an organization. We have set ourselves on a continuous path towards achieving excellence through people-driven innovation that can lead our organization into the future

1. **Platform Plans:** Launching business-ready platforms for our customers is a step towards better understanding our customers. Our platform approach leverages new-age technology along with our enterprise capability and tested Machine Learning Models.

2. **Industry Centre of Excellence (CoE):** We have further on our micro-vertical strategy and consider it instrumental to our growth story. Our investments in CoEs are aligned with our focus towards helping customers stay relevant and run parallel to their ESG goals. Our investments have been in PV, OT/IT and Manufacturing Labs.

3. **Co-Innovation Labs:** These Co-innovation Labs are in partnership with our marquee customers, which feature forward-looking tech enterprises. These will support their existing captive and tech centers to drive increased technology adoption.

4. **Corporate-Academia Partnerships:** Our regular and increased partnership with premier institutes in India and U.S. to support Research & Development (R&D), leverages the brightest of tech minds that lead to faster innovations and accelerated development of joint IPs. We are also developing many apprenticeship programs in collaboration with renowned institutions in the Americas and Asia to have an ecosystem that places a premium on innovation and foresight.

5. **Partnership:** Partnerships are the core that keep the lamp of innovation burning. We are partnering with industry-leading tech providers to create sandboxes and relay an innovation baton that includes start-ups, forming the initial flame towards creating an innovation ecosystem.

4 Community Initiatives

4.1 Introduction of BforC (Birlasoft for Community)

Community Service at Birlasoft is guided by the Mission statement – **"Making societies more productive by helping our customers run their business"** and driven by the Philosophy –

Birlasoft believes in the concept of 'Sustainable Development' and seeks to make a positive and sustainable impact to the society through its social development programs. Birlasoft further aims to create need-based community development model in collaboration with all our stakeholders.

4.2 Thematic area

We believe in giving back to the society where we live, work and play. Keeping this ideology as the foundation of our 'Community initiatives' program, **Birlasoft has identified three key themes for improvement and upliftment of the society we serve,** namely:

- **Environment Sustainability:** Maintaining air, water and soil quality, Conservation of natural resource and Ecological balance.
- **Women & Child Development:** Education, Health and Hygiene, Scholastic Development of children from socio–economic backward group, Empowerment, and Enablement of women through education, good health and skills development.
- **Disaster Management:** Supporting country and fellow citizens in distress by giving them relief, supporting in rehabilitation and reconstruction activities.

4.3 Key initiatives

 Zero crop residue burning

 Focused on creating digitally skilled workforce

 Direction towards education

 Platform to provide volunteering opportunity to the employees

4.3.1 Projects Undertaken

Project Shodhan is a community initiative, in partnership that aims to curb pollution that arises from crop stubble burning. In a span of five years, this initiative has brought change in more than 86 villages and impacted 58000+ acres of agricultural land in and around the 'wheat bowl' states of India

Coverage	2017 to 2022
Villages	86
Acreage	58,439
Beneficiaries	13,399

INTERVENTIONS

- Conducted awareness sessions and behavioral communication campaigns to mobilize the farmers and their families
- Oriented farmers with new farm machineries which obviate the need for stubble burning through demos and trainings
- Provided machineries and its operating cost to the farmers during the harvest cycle to facilitate the process of clearing residue and preparing the field for new crop

AWARDS

Birlasoft won 'SABERA' - Social and Business Enterprise Responsible Award for three consecutive years for SHODHAN

Shodhan won 7th CSR Impact award in 2021

IMPACT OF INTERVENTION

- Adoption of sustainable practice by 89%; 2-4% increase in yield
- 72,594 tonnes of rice straw were avoided from being burnt
- 65 kt CO2e and 34t Black Carbon emission got curtailed
- Net water savings by .01 billion litres; 26.5 tonnes of inorganic fertilizer was avoided
- Avoided direct global warming impact worth 25 kt CO2e and 12 t Black Carbon

e-VIDYA

Computing has made a phenomenal rise in the last five decades, considering humankind's increased dependency on technology. However, facts reveal that women are not engaging with computer sciences at the same rate as men. Indian women are facing many societal and cultural challenges which stops them from learning these essential computing disciplines. Computer Science, being an elective subject in many schools is the primary reason for this disconnect. It's an enduring issue of placing education before technology. Birlasoft analyzed this concern and launched a Community Initiative **"e-Vidya"**, with the vision of Digital literacy in Indian women. The aim of this community initiative is to support and sustain the overall development of underprivileged girls and women, by providing them with basic computer knowledge through voluntary support of experts, along with training in various soft skills to provide them a successful foundation. We have trained 3110 beneficiaries till date on various IT skills and our beneficiaries are undergraduate/graduate women and girls from economically weak background, aspiring for digital literacy and specialized IT courses to widen their job prospects.

disha

Project Disha focuses on the education and health of children. The scope of work emphasises infrastructural development of government school and co-scholastic development of its students. We also provide scholarship to the students to pursue higher studies. The program envisages teacher's training on soft skills and Digital literacy to enhance quality of education. Behaviour changes through communication, sessions/workshops are an important element of the program. Since 2019, we have worked with two government schools and one private education set-up supporting wards of economically weak community. Our education program has benefitted 1100+ students till date.

Preventive Healthcare Program for Women

Women form an important pillar of society and they are the primary caretakers in every country of the world, but still, they suffer more and have poorer health outcomes around the world - with repercussions not only for women but also for their families. Women Health is an important factor that not only contributes to well-being of family but also aids in economic growth globally. What's more important is to understand that women's health concerns are numerous and influenced by various factors like gender disparities, early marriage, domestic violence and sexual abuse, malnutrition, poverty, illiteracy and lack of access to quality healthcare which pose a major concern today. There are many threats to women health and Cancer has rapidly grown into one of the leading drivers of mortality and morbidity in Indian women. Out of all, cervical cancer is the second most common form of cancer in Indian women. In India, cervical cancer contributes to approximately 6–29% of all cancers in women.

Here, timely Cancer screening tests are an important tool to combat cancer-related morbidity and mortality. Late detection and inadequate access to quality treatment imply despairingly poor outcomes. Understanding the importance of Women health, Birlasoft has initiated a Healthcare program for women in the state of Rajasthan. The company has partnered with Willam J Clinton Foundation (WJCF) for secondary prevention of cervical cancer through improved access to screening and treatment of pre-cancerous lesions. Birlasoft is actively engaged with health leadership and key stakeholders in the state government on the need for intervention in the space, the support being extended to facilitate initiation of services and the potential impact on strengthening access to care. Birlasoft and WJCF is working together to identify, pivot and support activities in identified geographies including potentially scaling-up support in states. Good health boosts women's dignity, self-esteem and self-confidence and our Healthcare program for women is a step towards better and healthy tomorrow.

COVID-19 Support

During unpresented times of COVID-19, Birlasoft wholeheartedly came forward to support the country by providing food and hygiene kits to the families in distress, supporting financially, providing advanced medical equipment, strengthening medical services, and shielding fellow citizens from COVID-19 by mass inoculation. We donated four ambulances and a Gastro-scope system to Ruby Hall Clinic, Pune and vaccinated 3600+ people from underprivileged community.

Birlasoft encourages its employees and their family members to participate in community development projects. We have a volunteering platform to providing volunteers the opportunity to participate in volunteering activities of their choice. Numerous ground and virtual activities are part of Employee Volunteering program, to name some:

• Joy of Giving – month long fest to connect employees with community.

• Virtual Carnival – continuous program to support underprivileged and NGO community. This program helps in capacity building of target beneficiaries by imparting skills and sharing expertise.

• I-pledge - an awareness initiative on mensuration hygiene to the women and girls of under-privileged community.

5

Environment Initiatives at Birlasoft

5. Environment Initiatives at Birlasoft

As responsible global corporate citizen we believe that it is our duty to give our future generations a clean, green, and sustainable world. Birlasoft's approach of being an environment friendly organization is founded on the belief that the interests of our future generations and the society at large is best served by the efficiency of our business operations. We are committed to protecting the environment along with the active involvement of our employees though this year it was not possible because of COVID-19 pandemic.

Birlasoft has always been concerned for the environment and committed towards employee's health and safety. We have implemented the best practices and are certified with ISO 14001:2015, in the area of environmental management and ISO 45001:2018, in the area of Occupational Health and Safety.

Birlasoft's state of the art campus at Pune aims at building an environment that nurtures creativity through effective collaboration. The Birlasoft campus is spread across a sprawling 480,000 sq. ft. that comprises three buildings with a combined seating capacity of 4200+ employees with access to open landscape through the ground floor. The campus design is not only an insignia of Birlasofts commitment to energy efficiency and sustainable development, but also embodies the spirit of corporate values - boundarylessness, knowledge sharing and team work.

5.1 Birlasoft Green initiatives

As a step towards contribution to a greener environment, and in line with Birlasoft's commitment to environmental sustainability, we have been one of the early adopters in using technology for transport operations and look forward to contributing to the environment.

We have introduced the Electronic Vehicle for Bengaluru, Hyderabad and Pune offices of Birlasoft.

Lightings

Birlasoft is always committed and doing its bit towards environmental conservation. Our maximum use of natural lights through our innovative infrastructure is just one of them. Latest addition to our list is introducing Light Emitting Diodes ("LEDs") in our lighting systems.

LEDs are the latest and most exciting technological advancement in the lighting industry. LEDs are small, solid light bulbs which are extremely energy efficient and long lasting. LED lights generate virtually no heat therefore they are cool to the touch and can be left on for hours without incident or consequence if touched.

Birlasoft has undertaken the initiative of replacing its existing CFL/T5 lamps with LED lights in phased manner (we have ensured to use our existing light fixtures with innovative retrofitting). This shall reduce 60% of lighting load vis-à-vis kWh consumption. Furthermore, the replacement of LED lights will significantly reduce the generation of e-waste.

Landscape and Garden

Birlasoft has always believed in restoring nature which reflects in our continuous efforts and dedication. We have nurtured, protected and sustained our green zone for more than a decade. Also, during the difficult time of the COVID-19 pandemic, we have taken extra efforts and maintained it.
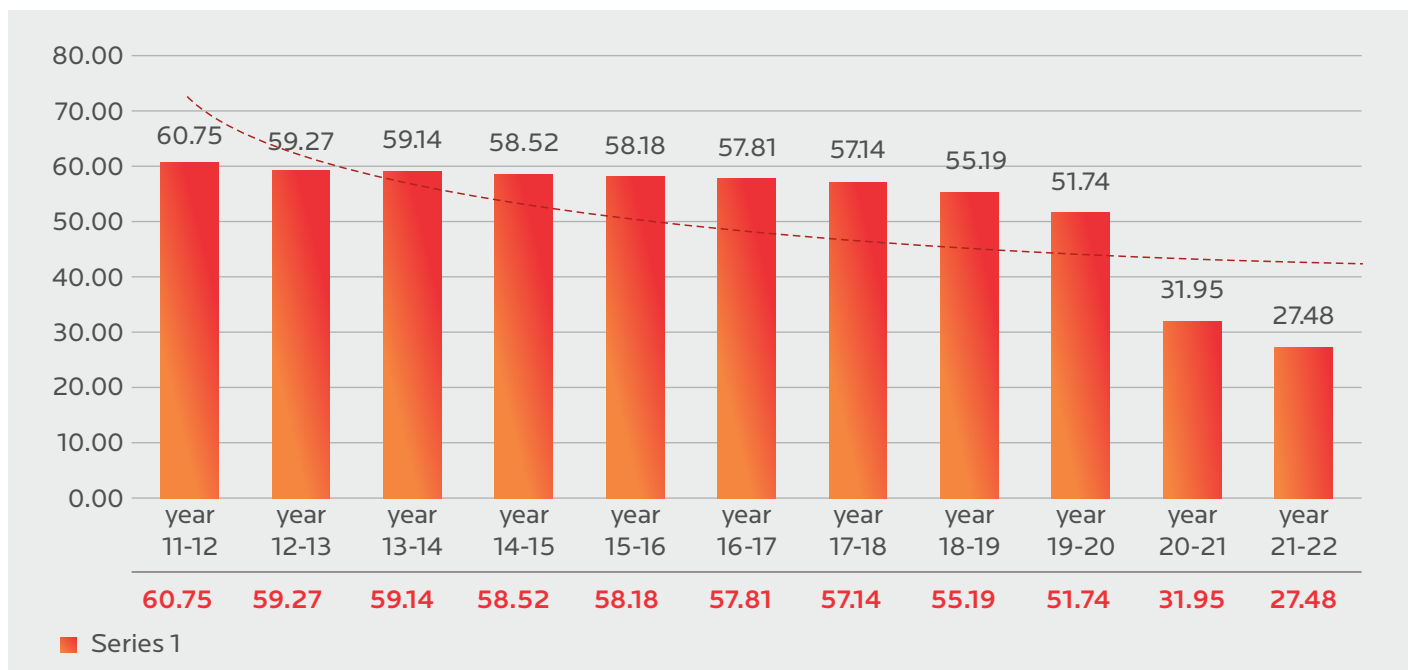
5.2 Power

In the current Indian scenario, conservation of Electrical Energy is extremely important for two major reasons:

- Scarcity of power, which is resulting in load shedding in almost all states of India, which is not just inconvenient but also adversely impacts the economy;
- India is world's third largest carbon emission country primarily because more than 60% of power is generated by using coal.

As a responsible corporate citizen Birlasoft has been undertaking various initiatives to reduce the energy consumption that has resulted in significant reduction in kWh units. Due to COVID-19 pandemic, very few employees turn around to the office which has resulted in the energy consumption going down by 40%.

	year 11-12	year 12-13	year 13-14	year 14-15	year 15-16	year 16-17	year 17-18	year 18-19	year 19-20	year 20-21	year 21-22
Series 1	60.75	59.27	59.14	58.52	58.18	57.81	57.14	55.19	51.74	31.95	27.48

Power consumption is primarily required for three major areas namely:
- Computers and Servers;
- Air conditioning; and
- Utility.

Power consumption distribution:

Legend: COMP. & SERVERS ▪ HVAC ▪ UTILITY
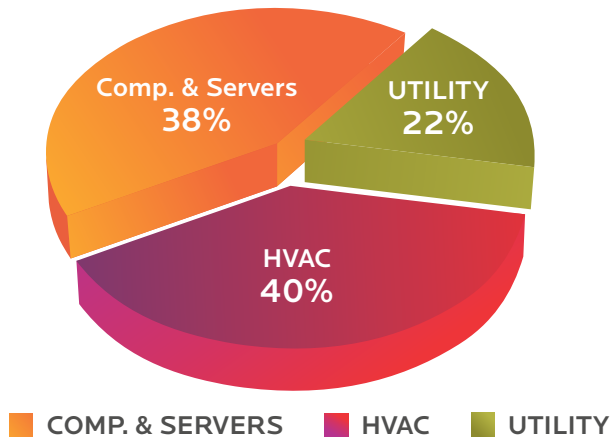
Changed PAC system for Power Efficiency

Birlasoft has invested for changing PAC system in place of conventional AC used for data Centre at SDB1 Hinjawadi, Pune office. This will control the humidity and give better power efficiency reducing the power consumption by around 10% per annum.

Replacement of Air Conditioning system

Air conditioning ('AC') system consumes almost 40% of power of the total consumption of Birlasoft Pune office, which is the highest compared to any other resources. Major investments were carried out for replacement of old HVAC system at SDB2 and Innovarium with new inverter based VRF technology. The VRF technology, which facilitates local cooling and controls, resulted in considerable savings vis-a-vis a conventional central AC system.

Apart from the basic infrastructure various operational initiatives were undertaken to reduce the consumption such as:

- Closely monitoring the AC system during various seasons, by operating the system w.r.t ambient temperature which resulted in approx. 30% reduction in electrical consumption.
- Optimized on fresh air intake which reduces heat load on air conditioning system.
- Installed AC remote controls in every cabin near the exit door to reduce unwanted usage of AC.

5.3 Lighting

Apart from using natural lighting, steps were undertaken to reduce power requirement for artificial lighting. These are:
- Motion sensors installed to automatically switch off lights whenever not in use.
- Solar streetlights installed along the perimeter road.
- Timers installed to control switching on/off streetlight.
- LED lighting has been installed in the building whereby the existing wattage of 56 for a normal T-5 lamp was reduced to 18/20W of LED giving the same results however, reducing 75% lighting load vis-à-vis kWh consumption.

5.4 Water

Water is required and used only for domestic purpose but is still the second largest natural resource consumed by Birlasoft. Therefore, investments were made to reduce freshwater consumption by setting up a Sewage Treatment Plant ('STP'). 60% of the water gets treated through STP and is recycled & used for gardening purposes. Apart from recycling of water, several other initiatives are also undertaken to reduce consumption of fresh water such as:
- Installation of sensor-based taps in the washrooms.
- Maintaining optimum pressure within water lines to reduce water wastage.
- Regulating water flow at all the outlets of all the toilets.
- Provision of hot water to the gymnasium and cafeteria kitchen using solar energy.

5.5 E-Waste Management

Being an IT company, Birlasoft has been keeping a pace with latest technology trends to keep a close track on all electronic equipment's which have completed their useful life or have become end of life. Last year as well, Birlasoft identified equipment's for disposal which were end of life or not supporting latest technology requirements. These equipment's include laptops, computers, servers, network equipment's, monitors, etc. which were considered for e-waste disposal as per defined guidelines. Further, waste generated like electrical wires, lamps, switches, etc. adhered the e-waste guidelines. Birlasoft's e-waste management procedure is the defining guidelines for handling all such types of e-waste and complying with Governments and Maharashtra Pollution Control Board (MPCB) guidelines. Disposal of generated e-waste will be done through government authorized handlers/recyclers.

Hazardous Waste

Hazardous wastes are disposed-off through authorized agencies as per the guidelines of Ministry of Environment and Forests (MOEF). Additionally, all used printer cartridges are sent back to manufacturers and manufactures recycle/dispose-off as per government guidelines.

5.6 Projects undertaken for improved efficiency & efficient use of energy

Network Transformation and Hyper Converged Infra (HCI)

The onset of Pandemic has accelerated the adoption of Hybrid work across organizations. With Hybrid work, there is no perimeter for the enterprise and the network administrators might be blinded to the users and the kind of devices that logon to the network. People connect from anywhere using any device at any time. However, to provide the right access to the right users analyzing what kind of devices they are using to login, where they are logging in from and also what time of the day so that the productivity of the users is not hampered and at the same time security of the organization and users is not compromised.

Further there is a need of automation, security, detail insighting of network where Birlasoft embarked on a journey of next generation network transformation to achieve next level of network for future readiness. Birlasoft took the journey with Tech Refreshing all its end of life network switches at core level and edge level with Cisco DNAC, Stealthwatch and Thousand EyE solution to drive automation and Security.

Key highlights of this transformation are:
- Zero-touch provisioning
- Guided workflows for simplicity
- Automated policy and segmentation

- User, client, device, and application visibility
- Automated upgrades and patching
- Scalable visibility
- Device lifecycle management

Birlasoft partnered with Cisco for Tech refreshing their identified network devices and Cisco Digital Network Architecture (Cisco DNA) of which Software Defined Access (SDA) and DNA-C is a part provides exactly that. DNA-C is a single pane of glass for Automation (Configuration Management) and Assurance which we use for AI Ops, Netops, Secops and Devops. DNAC also provides insight and visibility into the kind of traffic flowing through the Network and also the Health of the Network Devices.

Further Birlasoft also took a journey to consolidate their big server farms into Hyper Converged environment to leverage the power of Software capability of HCI environment.

Key business benefits of the initiatives

Cost Savings
While from technology perspective we have achieved automation, security capabilities, guides workflows, scalability insights, software defined capabilities in servers/network, etc. we have achieved cost effectiveness also with the solutions. We will be realizing cost benefits from this HCI rollout, network transformation and automation for years to come. Network automation, transformation will help spend less on network technology and man efforts and also will save energy due to its low power consumption capability. It is helping to decrease time of production, increases productivity, efficiency of IT operations as well as hardware utilization thereby saving cost and resource utilization.

Ease of Management
New DNAC solution can be managed with single console where administrator will have view of all DNAC capable devices and any administration with respect to network will be managed through DNAC console which will help in improving servicing of security related requirements, new network roll out for end users which will reduce the turnaround time drastically and will be helping 'Run the Business' more efficiently. Since this system allows zero touch provisioning capability network administrators can roll out unified policies without going into network devices which helps management and makes tracking very easy. Further the capability this solution for managing end to end life cycle of the devices where we can completely track end of the devices very easily. Similarly, with HCI each and every workload can be managed centrally with full visibility and reduced efforts.

Higher Security

Cisco Digital Network Architecture (Cisco DNA) Center and Stealthwatch is a highly advanced and capable solution which gives higher level of security for the environment. Administrator can have visibility of any security gaps in network environment and have remediation automatically /manually with common policies push from central console. As one of the most critical infrastructure components of enterprise networks, Cisco DNA Center as an architecture is configured under multilayered environment and sits firewalls and doesn't have any connection to untrusted network which helps in achieving higher level of security for the environment. Further while this solution helps deploying unified security policies in the network environment the chances of any gap eliminates. So overall this solution helps in achieving higher security posture.

Cloud Journey

Birlasoft has also embarked on journey of moving its major applications workload to Cloud as a part of digital transformation initiatives. Leveraging Cloud's end-to-end platform to accelerate our developer productivity, simplify operations, and build security and compliance into our software delivery process and Infra management. Cloud will help in DevOps, where Birlasoft aims to increase software delivery velocity, improve service reliability and build shared ownership among software stakeholders. Cloud will also help accelerate application design and development with an API-first approach. Application modernization is another objective where Birlasoft decided to leverage Kubernetes for deployment and orchestration framework for containerized applications. Birlasoft has farm of compute resources, Kubernetes will help in containerization and performs replication, scaling, failover and other management tasks necessary to run enterprise applications reliably with efficient resource utilization.

Some of the benefits of Multi Cloud Strategy

Cost: Hybrid cloud will be helping Birlasoft in getting cost advantages where total cost of ownership running identified applications and underline Infrastructure environment will be lower for years to come. Rather than purchasing expensive systems and equipment for our business, we can reduce our costs by using the resources of our cloud computing service provider as on when this is needed which will help optimization. We will also get advantage of optimized man power for managing the complete cloud environment. Another advantage will be lesser energy consumption costs may be reduced.

Scalability/Agility/Flexibility:

Cloud will give us very higher scalability/agility/flexibility advantage where basis needs we can scale up our environment in very short period depending on business ramp up or ramp down up.

Business continuity:

Business Continuity is a very key aspect for IT/ITES business. Protecting customer interest, continuity for customer support and our internal business is key and protecting external/internal customer data is an important aspect whether we experience a natural disaster, power failure or other crisis how we sustain is very important. Here cloud helps in big way by minimizing any downtime and loss of productivity by ensuring business continuity with their highly available environment.

Flexibility of work practices:

Cloud computing allows employees to be more flexible in their work practices. In today's scenario when we have hybrid way of working cloud will help in meeting our objectives.

Security:

Managing very high Security posture is very key objective for Birlasoft. In today's era of data breaches, cloud offers better security controls to protect sensitive transactions and information, ensuring that data does not get tampered or eavesdrop on data in transit. As Organizations transfer more and more of their infrastructure and data to the cloud, it's paramount for the question of security to be addressed. Cloud service providers delivers numerous levels of control in a network infrastructure to afford protection and continuity. Cloud providers meets the highest standards of regulatory compliance, including independent, internationally-recognized certifications and audits of security people, processes, and technologies through a range of rigorous programs. Most enterprises today place security as a top priority and enabler, regardless of whether their business goals are to grow and transform or increase the agility and quality of service delivery of their organizations. Similarly, Birlasoft has identified that migration and adoption of the cloud is key to accomplish the security imperative.

Application modernization:

Cloud will help Birlasoft in modernization of few of their application environment to keep pace with the latest (or future) technology by leveraging current stack of cloud which is always evolving, which has key drivers of modernization, include new security best practices, scalability requirements, and advancements in AI, virtualization, IoT, containers. Birlasoft is using PCF environment which will be converted into Kubernetes after cloud migration.

We will start by simply moving apps from on-premises datacenters to the cloud in a "lift and shift" migration, allowing us to take immediate advantage of the most basic benefits of cloud computing. From there, we will move on to more advanced modernization techniques such as, rebuilding all or some of the parts of our apps to adopt newer capabilities or best practices. So Cloud will help Birlasoft achieving key objectives.

Streamlined Operational Efficiency

In an increasingly virtual world, the ability to retrieve critical information from anywhere at any time is becoming the norm. Cloud-based systems improve access to data, allowing collaboration and communication in real-time, as well as enhancing analytics. Additionally, the cloud allows IT personnel to focus on innovations that move the company forward, rather than routine infrastructure maintenance.

Reduction in Carbon Footprint

The sustainability of an organization depends on the identification of wastefulness and finding solutions that address these issues at every level of the business. With Birlasoft Journey to cloud, there is a lesser carbon footprint as the cloud-based systems are more environmentally friendly. As Birlasoft's major work load is moving to cloud, a lot of infrastructure which is physical will be moving to virtual as cloud-based infrastructures involve virtual services cutting down on physical products and hardware. Therefore, there is a reduction in paper waste and computer-emitted emissions. Further, on Cloud we will spin off the environment basis need will help in ensuring effective usage will help in reducing carbon footprint. This improves the efficiency of an organization.

Further, with Birlasoft journey to Tech refresh their Network Core/edge environment by implementing new energy efficient switches and refreshing the old edge switches compatible with Software Defined Network capability. Consolidation of servers farms to HCI environment will further help in reducing the carbon footprint as newly deployed Infrastructure components are highly efficient. Objectives of implementing HCI was to replace individual servers where storage, compute etc. are in single box with software capabilities. This led to a smaller footprint in the data center, reduced power consumption, cooling and less carbon emissions.

So overall multiple initiatives whether Cloud, network transformation, technology refresh by deploying highly efficient Infra components helped reducing energy consumption and carbon emission by more than 35%

5.7 Environment Awareness Campaigns

Occupational Health and Safety

Birlasoft has always considered its employees as the most valuable asset of the organization. Towards this end, Birlasoft constantly undertakes initiatives to ensure the safety and well-being of its employees at workplace.

Employee Transport and Safety

Birlasoft strongly believes that the safety and security of our employees are intrinsic to its core values. One of the major focus areas from employee safety perspective is commuting to and from office in individual transport or company provided transport.

Some of the safety measures taken are:

- Mandatory Alcohol Tests are carried out for all drivers at the time of departures.

- Annual Medical check-up mandatory for all cab drivers.

- Security escorts provided for lady employees traveling between 20:00 hrs. to 06:00 hrs. and having last drop or 1st pick-up.

- Periodic training sessions planned for all cab drivers on safety, first aid, traffic discipline etc.

- Incident reporting, root cause analysis, CAPA for all major and minor incidents.

- Do's and Don'ts, Emergency Contact Helpline mandatory on all the vehicles.

- Only cabs up to 5 years vintage are used for employee commute.

- Mandatory use of seat belts and helmets within the premises.

- Yoga Sessions for Cab Drivers to ensure they live stress free while driving.

5.8 Employee Awareness Drive at Birlasoft

Birlasoft engages its employee and third-party vendors in various EOHS initiatives held in the organization. The hazard identification and risk assessment are carried out in consultation with relevant stake holders, employees, and third-party vendors. By considering the pandemic situation we have taken additional following measures for the safety of employees:

- Training session on COVID-19 conducted for all 3rd party staff.

- Display of Awareness posters in common areas (displaying precautionary measures for employees).

- Availability of Hand sanitizer at all main entry/exits and common areas.

- Introduced UV sanitech boxes to disinfect the personal belongings.

- Replacement of regular cleaning agents (R1 & R2) by Oxivir Five16/Virex disinfectant cleaner specifically used for killing Norovirus and Canine Parvovirus.

- Thermal cameras introduced to check body temperatures of everybody entering the premises.

- Sanitization of all offices through professional agency.

- Regular Sanitization of all common touch points like door handles, lifts, meeting rooms, company provided vehicles, etc.

- Sanitizations of cabs after every pick and drop. Sensitization of cab drivers on Do's and Don'ts for COVID-19.

- SOP created specifically on COVID-19 preparedness.

Birlasoft organizes seminars and health related programs throughout the year. Some of the events which were observed are as follows:

- Webinar on Understanding Our Changing Moods and Emotions.

- Introduced COVID-Care Helpdesk.

- Smoking Cessation Challenge Program.

- Session on Corona Care: Vaccinations & Precautions.

- Webinar on Corona Care: Manage Self and Family.

- Corona Care: Nutrition Management of COVID-19.

- Managing Uncertainties During COVID 2.0.

- Session on Corona Care: Sars-Cov2 and COVID-19 Facts, Myths & Q&A

- Workshop on "Corona Care: Immunity Enhancement Program"

- Session on "Financial Preparedness For Emergency Situations II Corona Care"

- Birlasoft Vaccination Drive at Pune location

- Observed International Yoga Day II Yoga Session by Dr. Mickey Mehta

- Live Session held on Confidence Building!

- Celebrated parent's day through a "Workshop on Parenting"

- Introduced "Nutri-Club".

- Session conducted on "Nutrition & Healthy Diet II Delta Variant

- "Coping with Stress During COVID -19 II Delta Variant"

- World Heart Day II "Emergency Cardiac Response Training (CPR)".

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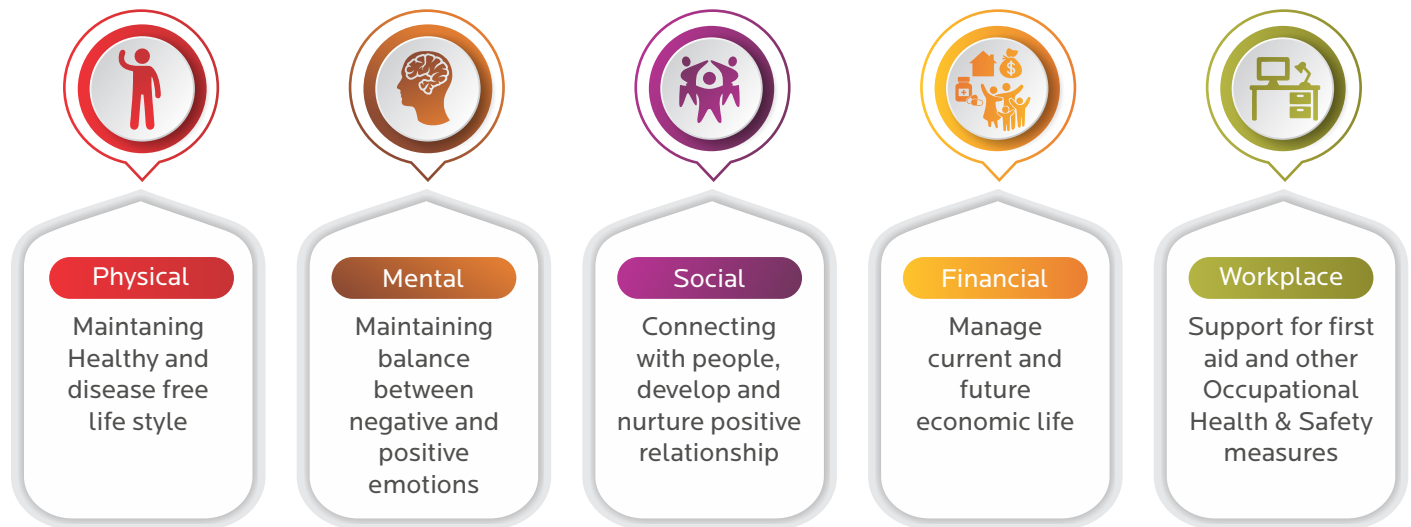
Employee Engagement at Birlasoft

6.1 Employee Engagement

Birlasoft's employee engagement practices are the behavioural demonstration of key values and culture. We believe engaged employees are passionately involved and shares the stronger bond with the organization. We promote and assist physical, mental and social wellbeing of the employees. We engage them in team building activities, ensure occupational health and safety, provide volunteering opportunities for community services, encourage participations in cultural events, celebrations, etc. Understanding the fact "One size doesn't fit all", we have gamut of engagement activities and offerings for our people. Birlasoft have tie-ups with best in class hospitals to ensure timely care to our employees and their family members. Providing conducive work environment is our top priority and going beyond the scores and continuously innovating and redesigning the framework for experiential learning is what matters the most to us. We create happitude among our employees.

6.2 Bcares

Birlasoft supports physical, mental, financial and social wellness for the employees. Wellbeing at Birlasoft works under the brand of Bcares. The gamut of initiatives taken up on holistic wellness

Physical	Mental	Social	Financial	Workplace
Maintaning Healthy and disease free life style	Maintaining balance between negative and positive emotions	Connecting with people, develop and nurture positive relationship	Manage current and future economic life	Support for first aid and other Occupational Health & Safety measures

- Workshops on Mindfulness
- Webinars/ sessions on mental wellbeing of employees and their family members in COVID outbreak
- Employee Assistance program
- Occupational Health Center
- Fitness challenges and guidance
- Gyms and recreation area
- Indoor and outdoor games
- Wellness consultations through doctors
- Lifestyle coaching
- Provision of healthy food in cafeteria
- Periodical Health assessments
- Ergonomic support to expecting mothers and physically challenged
- Menstruation Hygiene support and training

6.3 BEngaged

Birlasoft provides engaging and innovative activities to bring in vibrancy and positive energy in work. Fun-at-the-workplace at Birlasoft works under the brand of BEngaged. To bring in the culture of vibrancy in the organization and motivate the employees, activities undertaken are:

- **Talent tribes:** Birlasoft got talent is the yearly celebration which provides platform to the employees to showcase talent and interest, employees wholeheartedly participated in the event and exhibited their talent in singing, dancing, theatre, music etc.

- **Celebrations:** Various cultural, patriotic, special days are celebrated with employees to bring in the celebrations and joy amongst the employees viz Republic and Independence Day, Father's Day, Mother's Day, Women's Day, Earth Day etc. The activities on these occasions were planned to bring in lot of enthusiasm and positive energy amongst the employees, we also involved family members in these events.

- **Games:** To encourage sportsmanship one-minute games and competitions, etc. were organized for the employees throughout the year.

- **Family engagement:** We encourage family members of the employees to participate in the activities specially designed for the purpose like Kids day, twinning with mother, etc

- **Team Building Activities:** Team cohesiveness can be strengthened through informal connects out of workplace. Teams go on offsite and outings to spend some leisure time and bonding. Teams also conducts inhouse fun cum learning activities based on need assessment

6.4 Talent Acquisition

1. **TA Re-Structuring** - TA team is restructured in a way that helps all members to have clarity in their roles and responsibilities & with a centralized team that caters to the New Initiatives, TA Strategies and other TA branding activities

2. **Dedicated team for different HBU/VBU demands** - Separate TA teams for different HBUs and VBUs that helps our team understand and fulfill the requirement quickly, in addition to maintaining good professional relationship with the business.

Weekly/fortnightly/monthly cadence call with different stakeholders to track the development on the demands and take necessary steps if required.

3. **Predictability and Operational Efficiency** - Best Estimate model was introduced by the corporate operations group through which recruitment effort was brought in line with revenue prediction by the business unit. The systems and processes were upgraded to bring in the rigor and effectiveness of business alignment. To best utilize the internal resources, we have evolved our resourcing function through several processes and systems that include job rotation, reskilling and career planning etc. This ensures maximum opportunity to our employees to adapt to newer roles and make advances in their career as per their interest and performance. Our hiring is done through a number of sources, depending on the criticality of the requirement.

4. **TA Initiatives for improved Efficiency** – Inculcating and introducing new ideas and strategies in an effort to make Birlasoft as an "EMPLOYER OF CHOICE".

i. **Candidate Success Programme** - A Structured framework to engage with candidates, as part of the post-offer acceptance stage and elevate their experience when interviewing thus increasing offer to joiner ratio.

ii. **Strong Employer Brand** - In the age of social media, words travel at a lightening speed and it becomes important to have a strong presence on Social Media. Continuous efforts on branding activities on platforms like – LinkedIn, Twitter, Glassdoor to make Birlasoft as the potential employer

iii. **Alumni & Friends** - TAG team has initiated "Alumni Rehire" programme. Regular updates on publicly available information and open positions to be published to Alumni's. Offering alumnis an opportunity to join back Birlasoft or refer their friends, family, colleagues against the open positions.

iv. **Campus Hiring** - MoU was signed with various universities to launch campus hiring programme and ensure proper mix of freshers and laterals at Birlasoft.

v. **Trainings and Development** - A structured programme was designed for TA team that helped team members develop their skills and helped them to grow vertically and horizontally.

vi. **Automation** - Working on automating the reports that will help us in analyzing the root cause and take necessary data driven decisions.

vi. **AI Based Tool for Hiring** - To improve the efficiency of the team, we have also gone ahead with a AI Based screening tool which would soon be implemented and would help in saving a lot of time of recruiters and focus their time on more productive activities.

5. **Escalation Metrics** - Well defined escalation metrics in each team and at each level for speedier resolution of the issue.

6. **Sourcing Mix** - A strategy is implemented to ensure the proper channel mix across the levels and skills.

With our vast array of career opportunities and development programs, we help our new recruits and interns discover their potential and develop business knowledge and technological expertise.

6.5 Rewards & Recognition

We at Birlasoft strongly believe in the culture of appreciation and recognition. Birlasoft has a formal Recognition Program for all our employees across the globe called **STAR (Special Thanks and Recognition)** with the tagline "Keep Shining", which is designed to provide a token of appreciation to individual or team whose performance is outstanding and who contribute to the overall success of the organization.

We recognize and reward associates individually and in groups who accomplish various milestones, deliverables, targets beyond their normal work expectations and also live up to core values of Birlasoft. STAR is a performance driven program which empowers managers and leaders to simply provide a pat-on-the-back to praiseworthy employees. Through this we recognize individual and team contributions in various areas such as great VOC form customers internal/external, exceptional contribution, going above and beyond the call of duty. The key highlight of STAR is making instant and social recognition possible with no hierarchy for approvals kept in place.

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